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A SHORT ACCOUNT  
OF THE  
BANK OF ENGLAND

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# SHORT ACCOUNT Of the Bank of ENGLAND.

Heretofore Published by Michael Godfrey Esq; Deceased,  
and now Reprinted.

**C**ONSIDERING the variety of Opinions, concerning the Bank, it may be thought a Service to the Publick to give the following Account of it; whereby 'twill appear, That the Bank, notwithstanding all the Cavils, which the Wit, and Malice of its opponents have raised, is one of the best Establishments that ever was made for the Good of the Kingdom: For how plausible soever their Objections may seem, 'tis manifest they proceed in some from Aversion to the Government, in others from Prejudice, false Insinuations, or mistaken Notions, but in most from Self-Interest.

The Bank is a Society consisting of about 1300 Persons, who having Subscribed 1200000 l. pursuant to an Act of Parliament, are Incorporated by the Name of the Governour and Company of the Bank of England, and have a Fund of 100000 l. per. an. granted them, redeemable after 11 Years, upon One Years Notice; which 1200000 l. they have paid into the Exchequer, by such Payments as the Publick Occasions required, and most of it long before the Money could have been demanded.

The Subscriptions to the Bank were made by vertue of a Commission under the great Seal of England, grounded upon the said Act of Parliament, of which Publick Notice was given, and the Commissioners were appointed to take all such voluntary Subscriptions as should be made on or before the first day of August last, by any Person or Persons, Natives or Foreigners, Bodies Politick or Corporate, towards the raising the said 1200000 l. and there was a Proviso in the said Act, that if 600000 l. or more of the said 1200000 l. should not be Subscribed on or before the first day of August then next coming, that the Power of making Incorporation should cease, and the Money be paid into the Exchequer by the re-

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spective Subscribers and Contributors. And notwithstanding all the Endeavours of its Adversaries, the whole 1200000 l. was Subscribed in 10 days time, though if the Subscriptions had not amounted to 600000 l. the Subscribers would have had but a bad Bargain, and such as no Body would have taken off their hands for 20 per cent. loss of their Principal, and yet they would have received 8 l. per cent. per annum for their Money, nor would the 1200000 l. have been any thing near Subscribed; but upon the Prospect of their being Incorporated to be the Bank of England.

It's observable, That the Promoters of the Bank have proposed no Advantage thereby to themselves above any of the other Subscribers, all the Profit being only *pro Rata*, according to their Stock; and though it cannot be imagined but that they intended to be largely concerned, yet it is so settled, that those who have but 500 l. have One Vote, and those who have never so much can have no more; and the Directors have no Salary fixt, for their Pains and Attendance, but submit themselves wholly to what a General Court will think fit to allow them; and any 9 Members having each 500 l. Stock, may call a General Court, and turn out the Governour, Deputy-Governour, and all, or any of the Directors, and choose others in their places. Which are Provisions so wise, and effectual to prevent Fraud in some, to the prejudice of the rest, that it hardly leaves room for any doubt of that nature.

I shall not attempt to enumerate all the Advantages which the Nation will receive by the Bank, however I will mention some few, which alone are sufficient to recommend it, viz.

The Bank, besides the raising 1200000 l. towards the Charge of the War, cheaper than it could otherwise have been done, (and like the other Publick Funds, tying the People faster to the Government) will infallibly lower the Interest of Money; as well on Publick as Private Securities, which all other Funds have advanced, and which hath been raised to an Exorbitant Rate, as to the Publick, by those who have made use of its Necessities, and are now angry at the Bank, because that will reduce it. And the lowering of Interest, besides the Encouragement it will be to Industry and Improvements, will by a natural consequence raise the Value of Land, and encrease Trade, both which depend upon it; but it cannot be expected that Land should rise much whilst such high Taxes continue upon it, and whilst there are so great advantages to be made by lending Money to the Publick.

The Bank gives Money for Tallies on Funds, having a Credit of Loan by Act of Parliament, and which are payable in 2 years time, for the growing Interest only, without any other Allowance, on which there was used to be paid for the change, as much or more than the Publick Interest: For even on the Land Tax, which is counted the best of all the Funds, there has been frequently given of Money payable in 3 or 4 Months time 1 l. 1½, 1¾, and 2 per cent. premio, over and above the Publick Interest, and Tallies on some Funds, on which but 12 or 14 per cent. was taken by the Bank for nothing, and instead of allowing Money for interest, there is now Money given to procure them; so that Tallies are better than change the.

come better than Money, because there is 7 or 8 per cent. per annum benefit whilst they are kept; and they are paid by the Bank upon demand, to all those who desire to have Money for them, which is in effect so much Quick Stock which the Bank has already increased to the Nation, besides what it will farther add by its own Credit.

Thus by a regular course, and without any violence, the Bank has made Tallies current in Payment, which is what has been so long wisht for, but could not have been effected without the Bank, (although there had been a Law to compel it,) and this has given such a Reputation to all Tallies, even those which are the most remote, that they are now currently taken by private persons at 6, 8, 10, 15, and 20 l. per cent. less allowance than what was given but some few Months before the Bank was Establish'd, all which Losses on Tallies was paid by the Publick, for it cannot be suppos'd but those who are to allow 15 or 20 per cent. for discount of their Tallies, make provision accordingly in the Price they are to have for their Commodities.

The Bank will likewise facilitate the future Supplies, by making the Funds which are to be given, more useful and ready to answer the Publick Occasions, and upon easier terms than what has been done during the War: for it's said, they will Lend Money on the Land Tax at 6 per cent. per annum, nay some say at 5 per cent. per annum; which will save the Nation a great Sum of Money in Interest, as well as what was usually paid for Gratuities and other Charges to procure Loans, a Method that some of the Opposers of the Bank have been well acquainted with. But now the Bank is Establish'd, and that all who want Money, and have Securities, know where to be Supplied, and the Terms, there cannot be such Advantages made on the Publick or Private Mens Necessities for the future.

The more Credit the Bank has, and the more Money is lodged in it, the more it will lessen Interest, for want of Occasions to improve it; and those who Lodge their Money in the Bank have it as much at their disposal as if it were in the hands of the Goldsmiths, or in their own Cash-Chest, and there is a greater Value than the Money which is deposited in the Bank that circulates by their Credit as much as if it were stirring in Specie: And the Bank-Bills serve already for Returns and Exchange to and from the remotest parts of the Kingdom, and will in a little time do the like in Foreign Parts, which will lessen the exporting of Bullion for the paying and maintaining our Armies abroad during this War; and if the Bulk of the Money of the Nation which has been Lodged with the Goldsmiths, had been deposited in the Bank 4 or 5 years past, it had prevented its being so scandalously Clipp'd, which one day or other must cost the Nation a Million and half, or Two Millions to Repair.

Those who are concerned in the Bank cannot fail to lessen the Interest of Money, for its their own Interest to do it, else they cannot employ it; and their being settled at 8 l. per cent. per annum, the lower they bring all other interest, they make the Stock of the Bank the more Valuable; and it must be allowed, That it is the only Fund that ever was settled in England which has lessened the Interest of Money. And its very observable, That any resolution that is Concerned in the Bank have taken to be more serviceable in accommodating the

the Publick or private mens Occasions, has always given it a farther Reputation, and increased its Value; and the more they serve the Interest of the Nation, so much the more they serve their own, they being under this happy circumstance, That they cannot do good to themselves but by doing good to others.

The Nation pays for the Million on Annuities 14 l. per cent. per an. for 99 years, and for the Million Lottery 14 per cent. per an. for 16 years, besides about one tenth part which was expended in Charges, and reckoning Interest upon Interest at 5 per cent. per ann. as some have computed it, the Lottery amounts to above three Millions, and the Annuities amount to above 260 Millions.

The Funds of Wine, Vinegar and Tobacco, East-India Goods, Joint-Stocks, Paper and Parchment, and New Impositions, are all at 8 l. per cent. per an. as well as the Bank; and yet there has been from 20 to 30 l. per cent. Loss on Tallies upon several of these Funds, besides the Publick Interest; the like has been on the remote parts of the  $\frac{2}{3}$  Excise and  $\frac{1}{4}$  Customs before the Bank was Establish'd, and thereby the Nation has Paid 12, 14, 16, 18 and 20 per cent. per an. Interest for Money, which if it had continued must have Ruined the Kingdom; but now that they who have made these Advantages by the Publick are prevented of the like for the future, they will be more ready to Lend Money on Private Securities, or to Purchase Lands, for want of Occasions to Improve their Money to so much better Advantage.

Its a matter which is very surprizing and without any Example, that after the Nation has been Six Years engag'd in such a Chargeable War, and has been at near Thirty Millions Expence, and such quantities of Bullion have been Exported, besides the Loss of several Millions which the Enemy has taken; that after all this, instead of the Interest of Money rising, (as has been usual in all Wars) there should now be such a fall of Interest, which must be acknowledged to be wholly owing to the Bank, and that it could not have been effected without it; for till the Bank Exerted it self, the Interest of Money was rising apace, and would have continued so, and have come to a strange Exorbitancy e'r this, if the Bank had not been Establish'd.

The Bank being thus useful to the Publick, extends it self likewise to accommodate all Private Mens Occasions; for they lend Money on Mortgages, and real Securities at 5 l. per cent. per annum, and their very Publishing they would do it has given a Check to the raising the Interest on them from 5 to 6 l. per cent. per an. as was attempted; and if the Titles of Land were made more secure, Money would be Lent thereon at 4 l. per cent. per an. and in time of Peace at 3 l. per cent. per an. Foreign Bills of Exchange are discounted at  $4\frac{1}{2}$  per cent. per annum, and In-land Bills and Notes for Debts at 6 per cent. per an. and those who keep the Cash in the Bank, have the one discounted at 3 per cent. per an. and the other at  $4\frac{1}{2}$  per cent. per an. for which most Goldsmiths used to take 9 or 10 per cent. per an. And Money is lent on Pawns of Commodities which are not perishable, at 5 per cent. per annum, for which some in their Necessities have paid more than double as much, to the Ruine of many great Traders.

Money is likewise Lent on the Fund of the Orphans of the City of London at 5 per cent. per an. which will hinder several, who are necessitous, from being forced to Sell their Interest at Under-rates.

And its said they have agreed to set up a Lombard to lend Money on small Pawns, for the Relief of the Poor, at One Penny per Month for 20 Shillings, for which they now pay Six Pence or Twelve Pence every Week: And its probable, if the Bank was not restrained by Act of Parliament, they might take into Consideration the Exchanging Seamen's Tickets for Money, for a very small Allowance, for which they have often times paid 7 or 8 shillings in the Pound.

The Bank will reduce the Interest of Money in England to 3 per cent. per an. in a few years, without any Law to enforce it, in like manner as it is in all other Countreys where Banks are establish'd, whereby the Trade of the Nation may be driven upon more equal Terms with the rest of Our Neighbours, where Money is to be had at so much lower Rates than what we in England have hitherto paid: And as the lessening the Interest of Money will Infallibly raise the Value of Land, it had been worth while for the Nobility and Gentry who are the Proprietors of the Real Estates in England, to have given a Land Tax for the Bank, of double the Sum which was raised by it, if they could not otherwise have obtained it; for the falling the Interest of Money to 3 l. per cent. per annum, to which Rates the Bank will reduce it, will unavoidably advance the Price of Land to above 30 Years Purchase, which will raise the Value of the Lands of England at least 100 Millions, and thereby abundantly reimburse the Nation all the Charges of the War, and will not only enable the Gentry to make better Provision for their Younger Children, but those who now owe Money on their Lands, to pay off their Debts, by the Increase of the Value of their Estates.

The Ease and Security of the great Receipts and Payments of Money which are made by the Bank, (where Peoples Cash is kept as it is at the Goldsmiths) together with the safe depositing of it, are such advantages to recommend it, that they ought not to be past over without some Observation; especially considering how much Money has been lost in England by the Goldsmiths and Scriveners Breaking, which in about 30 Years past, cannot amount to so little as betwixt Two and Three Millions, all which might have been prevented, had a Bank been sooner Establish'd. For none can lose by the Bank, they having a Fund of 100000 l. per an. and Money, or good Securities besides, for as much they owe, wherewith to pay all that trust them.

These are such Services to the Nation in General, which have been (and will be) done by the Bank, as could not have been done without it, and such Arguments as these arising from Fact, are better Demonstrations and more Convincing of the Usefulness of it, than meer Speculative Notions urged by its Opposers, can be to prejudice others against it; and therefore it would be an unaccountable sort of Policy, to endeavour to deprive the Nation of those vast Advantages, which it now does and will receive by it.

Having given this short Account of the Bank, I shall consider the Objections that have been made against it, and who they are that make them; in which I shall chiefly take notice of those who would cloak the Opposition they make out of Private Interest, under some other specious Pretences; among which there are some who would be thought the most zealous for the Government, who at first pretended

pretended to dislike the Bank, only for fear it should disappoint *Their Majesties* of the Supplies which were proposed to be raised by it. But since the whole 1200000 *l.* has been so readily Subscribed, *their opposition has increased*, and their being now so Zealous against it, can only proceed from their fear that they shall not have the like Opportunities as they have had, to impose on the Publick, by whose necessities they have made so great Advantages; and they now threaten what they will do to destroy the Bank this Session of Parliament; as if what past in the last, were to be undone in this.

There are others, who are for forcing a Currancy of Bills, or Tallys, and think they may pass as well as Bank Bills; but they do not consider, That its nothing makes Bank Bills currant, but only because that all those who desire it, can go when they will, and fetch their Money for them; and to force any thing to pass in Payment but Money, would soon end in Confusion: For it cannot serve the Nations Occasions at home, much less our foreign Negotiations with other Countries abroad; seeing that all those who take Bills of Exchange on England, are too wise to accept any such sort of Payment; but will be sure to have them made payable in Sterling-Money in specie, in like manner as the Bills which are now drawn on Spain, are made payable in old Money, as before the Pragmatica: which, together with the late Essay of Copper Money in Ireland, might be sufficient to shew, that all such Attempts will be ineffectual.

And besides, the Confusion it would make, the danger of their being counterfeited, is an Objection that cannot well be answered; and all that it would cost to exchange them for Money, would be certainly paid by the Government: For it would be considered by those who sell their Goods, in the Prices of them; and though but a small Sum were paid for the Loss of exchanging them for Money, by every one through whose hands they should pass, yet there might be more than the whole Value lost thereby in less than one Years time: and the very Proposing such an Innovation, is of dangerous consequence, and tends to destroy the Publick Credit. For if it should be attempted to make any thing currant in Payment but specie Money, no Body would trust the Government on any Loans for the future; and it would put a stop to the discounting Tallys, or Bills of Exchange Lending Money on Pawns or Mortgages, or indeed to the giving any Credit, but upon the undoubted Assurance of receiving the Payment in Specie: for on all other sorts of Payment there will be a Loss to exchange them for Money: and it would discourage our Friends, and encourage our Enemies; by proclaiming to the World, That we are not able to continue the War, and this would put an end to it: for we should be forced to submit to such Terms, as the French King would think fit to grant us.

It's very observable, that all the several Companies of Oppressors are strangely alarm'd, and exclaim at the Bank; and seem to have joined themselves in a Confederacy against it, out of pure Zeal (as they pretend) for the Good of the Publick: whereas 'tis nothing but their Private Interest, that has so nettled them to see their Craft and Trade of Oppression endangered; for Extortion, Usury, and Oppression were never so attacked, as they are like to be by the Bank: and 'tis that which has engaged them, to use all the Arts and Tricks they could

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invent, to blemish it: and amongst the rest, to make those that owe Money uneasy at it, great Sums have been called in; specially if any have hapned to be due from those, whose Publick Stations might make their Anger the more significant: pretending, that the Bank has made such a Scarcity of Money, that none is left, to be Lent on Land, or other Securities; though if it really did what they pretend, they would be far from being angry at it; scarcity of Money naturally producing a High Interest, and a difficulty for those that want to be supplied with it: which are the best Arguments that can be used, to extort double the Price for Procuration and Continuation, Crimes that would easily be forgiven by those Men. But the Bank, on the contrary, makes a plenty of Money, and as well on Publick as Private Securities; without paying any thing, either to procure or continue it.

There are others, who pretend to be against the Bank, lest it should hereafter joyn with the Prince; to make him Absolute, and so render Parliaments useless. But tho' that may at first seem frightful, yet when it's considered, there will not appear any cause for such Fear as is pretended; and its morally impossible to be attempted, the concerned in the Bank being restrained by Act only on which there is a Credit of Loan by Parliament, under the Penalty of each Person's forfeiting treble the Value of all the Money Lent; the  $\frac{1}{2}$  to the former, and the other  $\frac{1}{2}$  cannot be pardoned by the King, but are to be disposed of by Parliament: nor can it be the Interest of the Bank, to make any King absolute; seeing they have no Security for their Fund, nor for the Money that is lodged in the Bank, but the Protection of the Laws: For if they should contribute to make any King absolute, they can have no assurance that he would not, (nay they may be confident that he would) seize on their Fund and their Money by violence; lest that they who contributed to make him Absolute, should afterwards endeavour to reduce him to a conformity with the Laws of the Land. And certainly there is more danger of such a Design from 12 or 14 Goldsmiths, who were used to have most of the running Cash of the Kingdom: Or from other corporations, who depend wholly on Prerogative, and are under no manner of restraint. Nor could such a Design ever be attempted by the Bank; for the whole Court of Directors, which consists of 26 Persons, must be made privy to it; and some of them to be sure would be against it: and it could not be kept secret, but would soon be divulged; and any 9 Members of the Corporation may all a General Court, who would infallibly turn out those that should incline to your such a Design: For 'tis not to be supposed, that such a Body of Men should agree to ruin themselves and their Posterity, by losing their Estates and their Liberties, when 'tis in their power to preserve them. And seeing the Triennial Bill is a new Parliament must be chosen, and sit once in 3 Years; and during the War, there is no danger but they will Meet oftner. There are others who are against the Bank, pretending, the Fund from which Revenue arises is prejudicial to the Nation: but if that were an Objection, it might as well be urged against the Annuity for Lives, payable out of the same Fund, and

and settled by the same Act of Parliament : But as this is not made an Objection against the one, no more ought it to be against the other ; for the Bank would be the same, out of whatsoever Fund the 100000 l. per an. were payable ; and if it were ill for the Kingdom, the goodness of the Fund would not make it the better ; nor if the Fund were a bad one, would that make the Bank the worse.

There are others, who are against the Bank, because they pretend the concerned have too good a Bargain ; though if it were really so, the Nation pays but 100000 l. per an. for 1200000, which is no more than their Agreement ; and 'tis much less than must have been paid for that Money, if it had been to be raised in any other manner : But if there were any weight in this Objection, it might be proper to be considered 11 Years hence, when their Term expires, in case they should endeavour a longer continuance. It never was thought to be an Objection against those who have the Fee-Farm Rents, that they have had too good a Peniworth, though they now Sell at 21, 22, and 23 Years Purchase : And though great part of them were paid for by Debenturs, and old Debts due from the Crown, which were bought for little or nothing : nor is it objected, that it was a thin House when that Bill past, though upon the Division there were but 42 Members present.

Some find fault with the Bank, because they have not taken in the whole 1200000 l. which was Subscribed ; for they have called in but for 720000 l. which is more than they have now occasion for : But however, they have paid into the Exchequer the whole 1200000 l. before the time appointed by the Act of Parliament ; and the less Money they have taken in to do it with, so much the more they have served the Publick : For the rest is left to circulate in Trade, to be lent on Land, or otherwise to be disposed of for the Nations Service ; and its better for the Bank, as well as the Publick, to have 480000 l. in the Subscribers hands, ready to be called for as they want it, than to have had it lie useles by them : And it's very observable, that few of those who make this Objection either do or would trust the Bank, though the whole 1200000 l. were actually paid in by the Subscribers, as they would pretend to have it. And though they are so careful, lest the Bank should not have Credit ; yet at the same time they pretend to fear its Credit will so far prevail, that it will engross all the Money in the Nation. So that, it seems, as if they who would have 480000 l. called in wanted a pretence to find fault with the Bank, for having made Money scarce, calling in the Remainder of the whole Subscriptions, when they did not want it ; unless they would shew by some new-discovered Rules in Arithmetick, that the calling in 480000 l. more, would make the Bank have the less Money lodged in it.

'Tis pretended by others, that the Bank is prejudicial to Trade, because there are some under such unhappy Circumstances, that the Bank cannot relieve them in their broken Fortunes, and who have been sinking before the Bank was thought of. Indeed they who have not Credit to borrow Money at Interest, nor to draw by Exchange, and who have neither Tallies, Bills of Exchange, or good Bills for Debt to discount, Goods to Pawn, or Land, or Houses to Mortgage, must be allowed to be in no very good Condition, and must continue to pay as exorbitant Allowances for Money to supply their Necessities, as they used to be

before the Bank was Established. What has been observed of Discounting Foreign Bills of Exchange at 3 per cent. per annum, In-land Bills, and Notes for Debts at 4½ per cent. per an. Lending Money on Pawns at 5 per cent. per an. Exchanging Tallies, and lowering Interest of Money, its supposed is sufficient to answer this Objection.

'Tis alledged by some, that the Bank will ingross all manner of Trades. — But this is an Objection like many others which are made against it by those who do not understand its Constitution ; for, if any Person Trades on Account of the Bank in any other thing than taking Pawns, or in Bills of Exchange, or Bullion, or consents that any other should Trade, every such Person so Trading or Consenting to such Trade, incurs by the Act of Parliament a Forfeiture of Treble the Value of all that is Traded for.

The Goldsmiths have been guilty of Engrossing most Commodities themselves, and they have also been great Merchants and Traders. And since the Nation has suffered so much by their Monopolizing Goods, and Trading with other Mens Stocks, it may seem highly Reasonable, That as the Bank is restrain'd from Trade, for fear of those mischiefs which the Goldsmiths have practis'd ; so the Goldsmiths in like manner should be limited to the Selling Plate and Jewels, which was their antient and proper Trade. And if there be an Advantage to be made by the Running Cash of the Kingdom, it's fitter for the Bank to have it ; which consists of 1300 Persons, and who employ it to serve the Nation in general, by lowering the Interest of Money ; than that it should be given to a few private Men, who have already made use of it, so much to the Nations prejudice.

And whereas they pretend that the Bank has bought up all the Silver, upon Enquiry it appears, that there hath not been 12000 l. worth bought by the Bank, and the greatest part of that was Pieces of Eight, and the rest Bars and Piny Silver, which came from Spain ; though some particular Refiners and Goldsmiths have since that Ship'd off more than double that Value in Bars of English Melting, and have likewise sold much greater parcels to others which have been Exported. — And it may be a matter well worth Enquiry, where those Mines are which have produc'd that Silver ?

And though it be made such a Crime for the Bank to be concerned in the Publick Remittances, it is no more than was done by a Goldsmith before the Bank undertook it ; nor is it look'd on as a Fault in the Goldsmiths to deal by Exchange, seeing some of them do now draw or remit Money almost every Post.

As to the Pretence of the Bank setting a Price upon Guineas, and having engrossed the greatest part of all that are in the Nation ; 'tis answer'd The Bank has always received and paid Guineas, at 2 Pence or 3 Pence a piece at least, under the Price which the Goldsmiths have put upon them ; and has been so far from Buying up any, that they have only received such as have been brought them in Payment ; and have constantly paid them away every Week, at the same Price they have received them : So that if they make any benefit by the advance of the Price of Guineas, 'tis chiefly on those which were received at the taking the Subscriptions ; which cannot come to any such quantity as is pretended : And 'tis

a matter wholly owing to some, or all of these Causes : To the *Goldsmiths* and *Refiners*, who have raised the Price of them : or, To the Trade which is driven by the *Clippers*, who sell their Clippings for *Guineas*, and with them procure heavy Money : or To the badness of our Silver-Coin, which is diminished every day.

There are others, who make a mighty Complaint against the Bank, because 2 *d.* per Day is allowed on *Bank-Bills*, and the Money which was used to be lodged in their hands for nothing, and made use of by themselves, is now paid into the Bank by the Owners, but they, its supposed, will not find fault with receiving 2 *d.* per Day, for that Money, for which before they had nothing ; and so one may be set against t'other.

'Tis pretended, the allowing 2 *d.* per Day, hinders some from Purchasing, or Lending Money on Mortgages ; and makes others, who are Traders, and owe Money, bad Paymasters.

But it may well be supposed, there are none who intend to Purchase, or Lend Money on Mortgages, who will leave their Money in the Bank at 3 per cent. per an. when they can have a Purchase to their minds, or a good Security at 5 per cent. per an. and there are few who would not leave their Money lying dead, rather than lay it out on the Purchase of an Estate they do not like, or lend it on a bad Security.

And as for its making men bad Paymasters ; they must consider their Credit or Interest but little, who will delay paying their Debts, for the getting the 2 *d.* per day, per 100 *l.* which is allowed on *Bank-Bills* ; for in their future Dealings they would pay a much dearer Interest. — The Money which is lodged in the Bank, is only the Money which can be spar'd, and was wont to be left with the *Goldsmiths* ; and it's strange, that 3 per cent. per an. which is allowed on *Bank-Bills*, should do all this Mischief ; and that the great Advantages which have been made by the Publick Funds, should never be made an Objection.

But the plain truth of the matter is that the *Goldsmiths* are angry at the Banks allowing 2 *d.* a Day per Cent. because that by this means the Money is drawn out of their hands the faster, and paid into the Bank for *Bank-Bills*.

And if the allowing 2 *d.* per Day on *Bank-Bills*, be lookt on to be such a Crime, its very probable the concerned in the Bank will be willing in time to remove the Objection ; seeing it will ease them of the Charge of 36000 *l.* per an. which the Interest amounts to, and which they have given the Nation out of their Fund, for that Money, for which the Owners used to have nothing.

Notwithstanding all these Objections, which are made against the Bank, and that the allowing 2 *d.* a Day per 100 *l.* on *Bank-Bills* is pretended to be so prejudicial, yet there are some now, who in opposition to it, talk of nothing less than Setting a New One, with 4 *d.* a day per cent. Interest, which is double as much as is now paid by the Bank : nay others are for Setting up a Bank in every City, or in every Market-Town. Which shews after all the Cavils against the Bank, that a Bank is good for the Nation in general, and that the greatest Objection against the Bank of England, is, that they who find fault with it, are not concerned in it ; for many of those who Clamour against it, do it only in hopes of coming in the Cheaper.

But

But the Honour and Justice of the whole Nation (on whose Credit and Authority the Subscribers are Establish'd to be the Bank of England for 11 Years) is too much concerned, to admit a supposal, that any such Designs should receive countenance, or encouragement : For what past in the Last Session of Parliament, and their refusing to admit any other Lives to be added to the Annuities, lest it should be thought to lessen the Security on which the Money was contributed ; (though they were not intended to take place till after the Lives in being were extinct) shews the great care of the Honourable House of Commons, to preserve the Publick Credit, and to avoid any the least Occasion which might make it suspected ; and gives the whole Nation a sufficient assurance, that they who are the Preservers of the Peoples Rights and Properties, will never suffer any thing to be attempted in that AUGUST ASSEMBLY, that may seem but to weaken the Security, or lessen the Encouragements which they have given the Subscribers to the Bank, and which they themselves have Establish'd by so solemn and inviolable a Sanction : And all Insinuations to the contrary (though under never such specious Pretences) are of dangerous Consequence to the Government, tending to raise Doubts and Scruples in the minds of the People, and to lessen the Publick Credit : For if the Parliamentary Securities, on which all Men, both Natives and Foreigners, finally relying, have hitherto so freely contributed their Fortunes, or carrying on the War, were now made precarious and uncertain, nobody could trust them for the future : and during the War, the Government cannot possibly subsist without Credit.

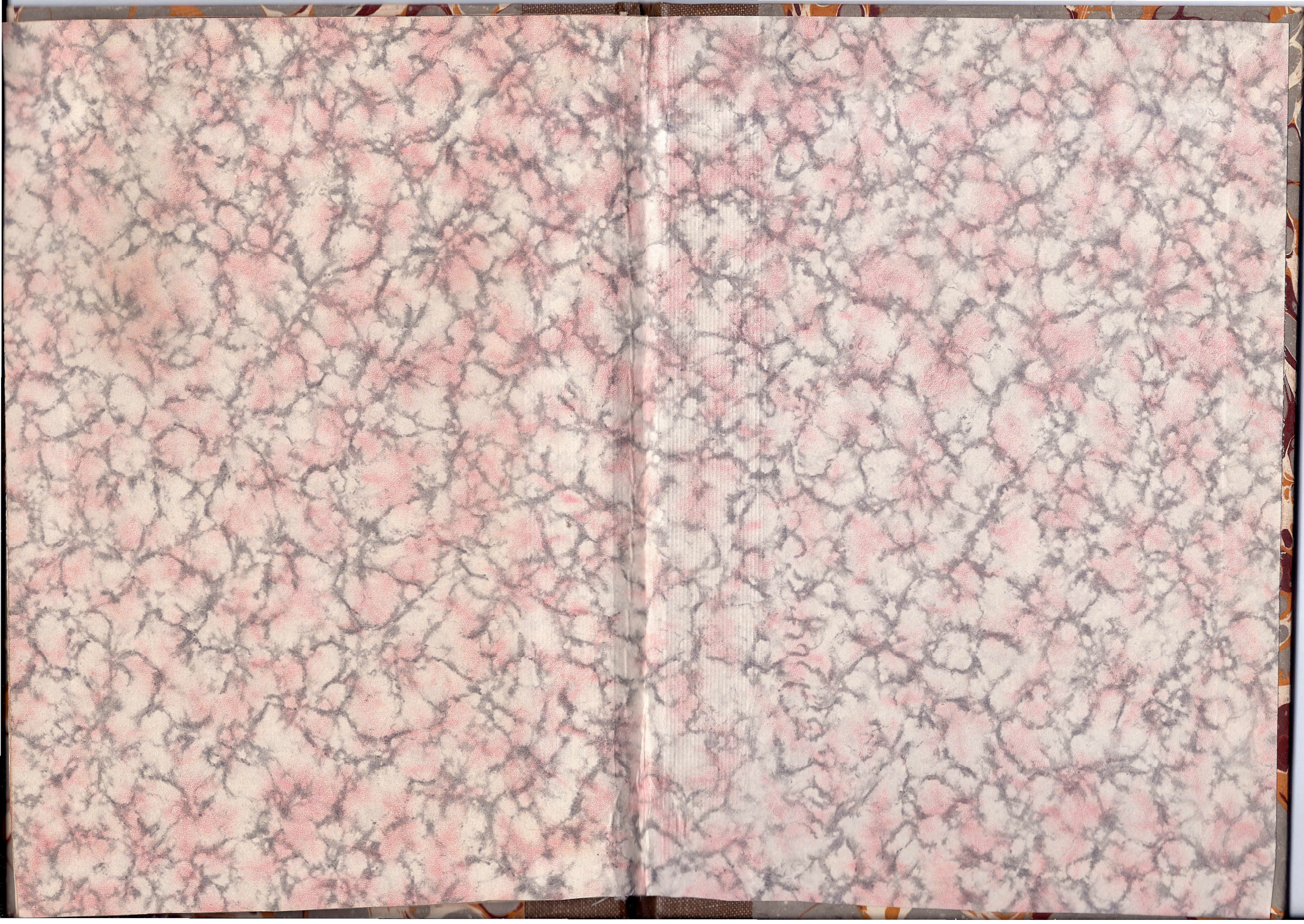
And besides, the seeming Injustice which it would be to those who have subscribed, and contributed their Money upon the Encouragement given by the Act, of their being the Bank of England for eleven years, to have another Establish'd before those eleven years are expired, for which this Bank is settled ; would be so far from being like the having of several Shops to go to, to be better used ; (as is by some pretended) that it would be a means to hinder other from being serviceable in the supplying the publick or private occasions : And the Nation must pay the dearer for Money ; for one being in opposition to the other. there would be a sort of Civil War between them ; and the Bank being a Bank of Credit, neither of them, by their jealousy of each other, would venture to extend its Credit ; but would Bury the Money of the Nation, instead of increasing and quickning its Circulation, as the Bank of England does, and will do.

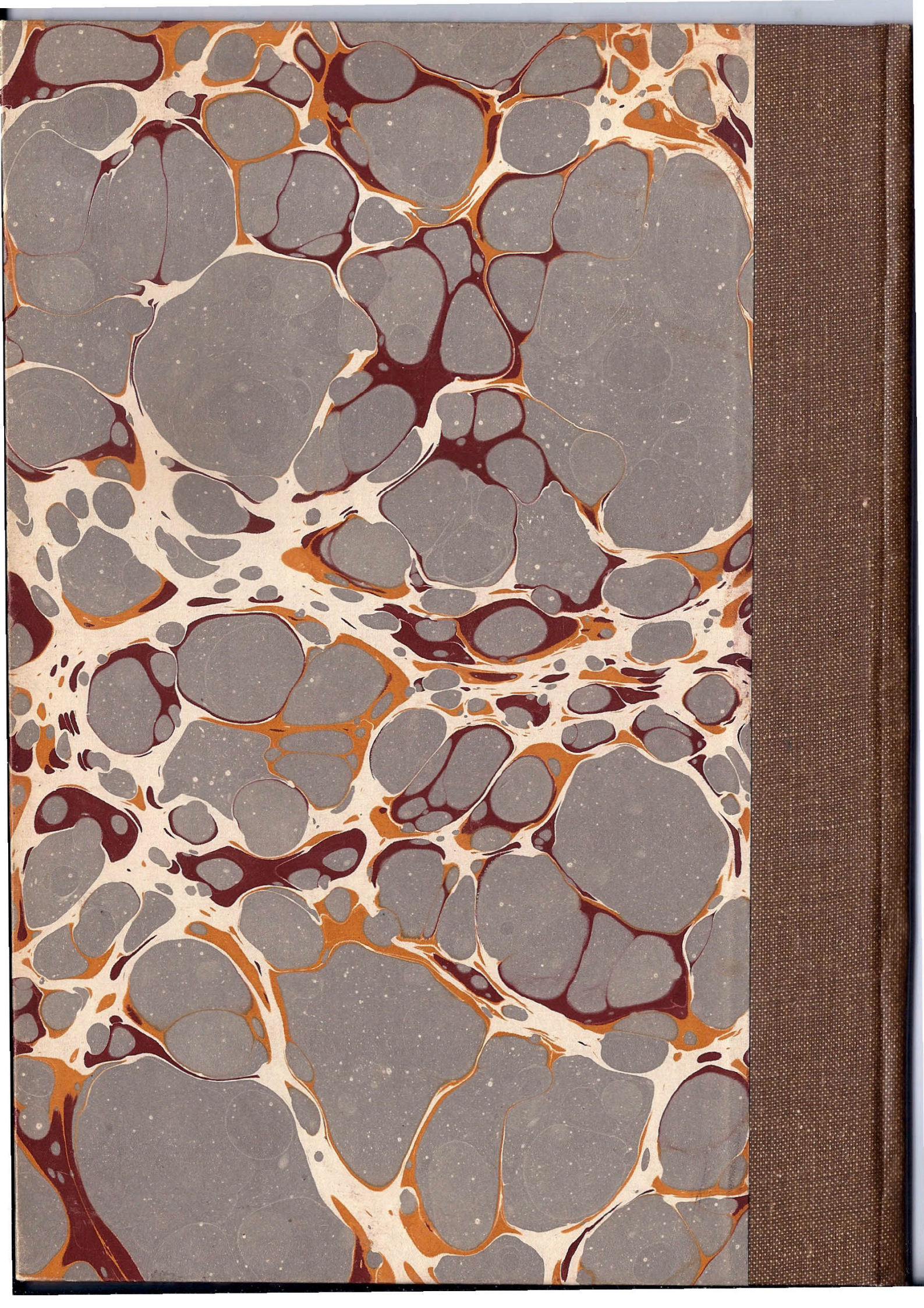
To conclude, the Instances which have been given, (in the foregoing Account) the Usefulness of the Bank, may, it's supposed, suffice, to convince such as are prejudiced against it ; upon the Misrepresentations which have been so industriously made, by those who appeared the most barefaced and violent in opposing it. But it may perhaps be objected, That the Bank is so far from being an Advantage to all Traders, that 'tis Prejudicial to some : for it seems to be admitted, That the Bank will be injurious to a dozen or 14 Banking Goldsmiths, to some Scriveners, Usurers, and Pawn-Brokers ; because it will hinder them from Extorting such Oppressive Extortion, as some of them have done formerly ; and it will quite ruin the whole Trade of Tally-Jobbers.

Now

Now if the Clamour of a few, (whose Trade hath been to make *Merchandize* of the Nation, and to Enrich themselves by the Necessities of others) shall not only prevail against the Benefit of a Community legally established, but even of the Kingdom in general, and the Credit of a Parliament, then the Enemies of the Bank may hope to subvert it: But until the Publick Good be postpon'd to Private Interest, and a small number of Oppressors be too hard for the Nobility, Gentry, and Traders of *England* in general; it will and must be preserved and maintained, because of its great Use to the whole Realm; and the Benefits which already accrue by it in its Infancy, are a good Earnest of those greater Advantages, which the Nation must receive from its future Progress.

F I N I S.





A P P E N D I X.

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A

S H O R T   A C C O U N T

O F   T H E

B A N K   O F   E N G L A N D.\*

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HERETOFORE PUBLISHED BY MICHAEL GODFREY, ESQ.,  
DECEASED, AND NOW REPRINTED.

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Considering the variety of opinions concerning the Bank, it may be thought a service to the publick to give the following account of it, whereby 'twill appear that the Bank, notwithstanding all the cavils which the wit and malice of its opponents have raised, is one of the best establishments that ever was made for the good of the kingdom; for how plausible soever their objections may seem, 'its manifest they proceed in some from aversion to the government, in others from prejudice, false insinuations, or mistaken notions, but in most from self-interest.

The Bank is a society consisting of about 1300 persons, who having subscribed £1,200,000 pursuant to an act of parliament, are incorporated by the name of the governor and company of the Bank of England, and have a fund of £100,000 per annum granted them, redeemable after eleven years, upon one year's notice, which £1,200,000 they have paid into the Exchequer by such payments as the public occasion required, and most of it long before the money could have been demanded.

\* Reprinted from a rare pamphlet published in 1695, by Michael Godfrey, whose death at Namur is recorded in the first volume.

The subscriptions to the Bank were made by virtue of a commission under the great seal of England, grounded upon the said act of parliament, of which publick notice was given, and the commissioners were appointed to take all such voluntary subscriptions as should be made on or before the first day of August last, by any person or persons, natives or foreigners, bodies politic or corporate, towards the raising the said £1,200,000; and there was a proviso in the said act, that if £600,000 or more of the said £1,200,000 should not be subscribed on or before the first day of August then next coming that the power of making a corporation should cease, and the money be paid into the Exchequer by the respective subscribers and contributors. And notwithstanding all the endeavours of its adversaries, the whole £1,200,000 was subscribed in ten days time, though if the subscriptions had not amounted to £600,000 the subscribers would have had but a bad bargain, and such as no body would have taken off their hands for 20 per cent. loss of their principal, and yet they would have received £8 per cent. per annum for their money; nor would the £1,200,000 have been anything near subscribed, but upon the prospect of their being incorporated to be the Bank of England.

It's observable that the promoters of the Bank have proposed no advantage thereby to themselves above any of the other subscribers, all the profit being only *pro rata*, according to their stock; and though it cannot be imagined but that they intended to be largely concerned, yet it is settled, that those who have £500 have one vote, and those who have never so much can have no more; and the directors have no salary fixt for their pains and attendance, but submit themselves wholly to what a general court will think fit to allow them; and any nine members, having each £500 stock, may call a general court, and turn out the governor, deputy-governor, and all or any of the directors, and choose others in their places. Which are provisions so wise and effectual to prevent fraud in some, to the prejudice of the rest, that it hardly leaves room for any doubt of that nature.

I shall not attempt to enumerate all the advantages which the

nation will receive by the Bank, however I will mention some few, which alone are sufficient to recommend it, viz :

The Bank, besides the raising £1,200,000 towards the charge of the war, cheaper than it could otherwise have been done, and (like the other publick funds, tying the people faster to the government) will infallibly lower the interest of money, as well on publick as private securities, which all other funds have advanced, and which hath been raised to an exorbitant rate, as to the publick, by those who have made use of its necessities, and are now angry at the Bank, because that will reduce it. And the lowering of interests, besides the encouragement it will be to industry and improvements, will by a natural consequence, raise the value of land and increase trade, both which depend upon it; but it cannot be expected that land should rise much whilst such high taxes continue upon it, and whilst there are so great advantages to be made by lending money to the publick.

The Bank gives money for tallies on funds, having a credit of loan by act of parliament, and which are payable in two years time, for the growing interest only, without any other allowance on which there was used to be paid for the change, as much or more than the publick interest: for even on the land tax, which is counted the best of all the funds, there has been frequently given on tallies payable in three or four months time  $1, 1\frac{1}{2}, £1\frac{3}{4}$ , and 2 per cent. premio. over and above the public interest, and tallies on some funds, on which but twelve or eighteen or twenty months past there was £25 and £30 per cent. given over and above the publick interest, are now taken by the Bank for nothing, and instead of allowing money to change them, there is now money given to procure them; so that tallies are become better than money, because there is 7 or 8 per cent. per annum benefit whilst they are kept; and they are paid by the Bank upon demand to all those who desire to have money for them, which is, in effect, so much quick stock which the Bank has already increased to the nation, besides what it will farther add by its own credit.

Thus, by a regular course, and without any violence, the Bank

has made tallies current in payment, which is what has been so long wisht for, but could not have been affected without the Bank, (although there had been a law to compel it,) and this has given such a reputation to all tallies, even those which are the most remote, that they are now currently taken by private persons at £6, £8, £10, £15 and £20 per cent. less allowance than what was given but some few months before the Bank was establisht, all which losses on tallies was paid by the public, for it cannot be suppos'd but those who are to allow 15 or 20 per cent. for discount of their tallies make provision accordingly in the price they are to have for their commodities.

The Bank will likewise facilitate the future supplies, by making the funds, which are to be given, more useful and ready to answer the publick occasions, and upon easier terms than what has been done during the war; for it's said, they will lend money on the land tax at 6 per cent. per annum; nay some say at 5 per cent. per annum; which will save the nation a great sum of money in interest, as well as what was usually paid for gratuities and other charges to procure loans, a method that some of the opposers of the Bank have been well acquainted with.

But now the Bank is establisht, and that all who want money and have securities, know where to be supplied, and the terms, there cannot be such advantages made on the public or private men's necessities for the future.

The more credit the Bank has, and the more money is lodged in it, the more it will lessen interest, for want of occasion to improve it; and those who lodge their money in the Bank have it as much at their disposal as if it were in the hands of the goldsmiths, or in their cash chest; and there is a greater value than the money which is deposited in the Bank that circulates by their credit as much as if it were stirring in specie. And the Bank bills serve already for returns and exchanges to and from the remotest parts of the kingdom, and will in a little time do the like in foreign parts, which will lessen the exporting of bullion for the paying and maintaining our armies abroad during this war; and if the bulk of the

money of the nation, which had been lodged with the goldsmiths, had been deposited in the Bank four or five years past, it had prevented its being so scandalously clipt, which one day or other must cost the nation a million and half, or two millions to repair.

Those who are concerned in the Bank cannot fail to lessen the interest of money, for it's their own interest to do it, else they cannot employ it; and their fund being settled at £8 per cent. per annum, the lower they bring all other interest, they make the stock of the Bank the more valuable; and it must be allowed, that it is the only fund that ever was settled in England which has lessened the interest of money. And it's very observable, that any resolution that the concerned in the Bank have taken to be more serviceable in accommodating the publick or private men's occasions, has always given it a farther reputation, and increased its value; and the more they serve the interest of the nation, so much the more they serve their own, they being under this happy circumstance that they cannot do good to themselves but by doing good to others.

The nation pays for the million on annuities £14 per cent. per annum, for ninety-nine years; and for the million lottery, £14 per cent. per annum, for sixteen years, besides about one-tenth part which was expended in charges, and reckoning interest upon interest at 5 per cent. per annum, as some have computed it, the lottery amounts to above three millions, and the annuities amount to above two hundred and sixty millions.

The funds of wine, vinegar, and tobacco, East India goods, joint stocks, paper and parchment, and new impositions, are all at £8 per cent. per annum, as well as the Bank; and yet there has been from £20 to £30 per cent. loss on tallies upon several of these funds, besides the publick interest; the like has been on the remote parts of the  $\frac{2}{3}$  excise and  $\frac{3}{4}$  customs before the Bank was establisht, and thereby the nation has paid 12, 14, 16, 18, and 20 per cent. per annum interest for money, which, if it had continued, must have ruined the kingdom; but now that they who have made these advantages by the public are prevented of the like for the future, they will be more ready to lend money on private securities, or to purchase

lands, for want of occasions to improve their money to so much better advantage.

It's a matter which is very surprising and without any example, that after the nation has been six years engag'd in such a chargeable war, and has been at near thirty millions expence, and such quantities of bullion have been exported, besides the loss of several millions, which the enemy has taken; that after all this, instead of the interest of money rising, (as has been usual in all wars) there should now be such a fall of interest, which must be acknowledged to be wholly owing to the Bank, and that it could not have been effected without; for till the Bank exerted itself, the interest of money was rising apace, and would have continued so, and have come to a strange exorbitancy e'er this, if the Bank had not been establisht.

The Bank being thus useful to the publick, extends itself likewise to accommodate all private men's occasions; for they lend money on mortgages, and real securities at £5 per cent. per annum, and their very publishing they would do it, has given a check to the raising the interest on them from £5 to £6 per cent. per annum, as was attempted; and if the titles of land were made more secure, money would be lent thereon at £4 per cent. per annum, and in time of peace at 3 per cent. per annum. Foreign bills of exchange are discounted at  $4\frac{1}{2}$  per cent. per annum, and inland bills and notes for debts of 6 per cent. per annum; and those who keep their cash in the Bank, have the one discounted at 3 per cent. per annum, and the other at  $4\frac{1}{2}$  per cent. per annum, for which most goldsmiths used to take 9 or 10 per cent. per annum. And money is lent on pawns of commodities, which are not perishable, at £5 per cent. per annum, for which, some in their necessities, have paid more than double as much, to the ruine of many great traders.

Money is likewise lent on the fund of the orphans of the city of London, at 5 per cent. per annum, which will hinder several, who are necessitous, from being forced to sell their interest at under rates.

And it's said they have agreed to set up a Lumbard to lend money

on small pawns, for the relief of the poor, at one penny per month for twenty shillings, for which they now pay sixpence or twelve-pence every week. And it's probable, if the Bank was not restrained by act of parliament, they might take into consideration the exchanging seamen's tickets for money for a very small allowance, for which they have often times paid seven or eight shillings in the pound.

The Bank will reduce the interest of money in England to 3 per cent. per annum in a few years, without any law to enforce it, in like manner as it is in all other countries where banks are established, whereby the trade of the nation may be driven upon more equal terms with the rest of our neighbours, where money is to be had at so much lower rates than what we in England have hitherto paid. And as the lessening the interest of money will infallibly raise the value of land, it had been worth while for the nobility and gentry who are the proprietors of the real estates in England to have given a land tax for the Bank, of double the sum which was raised by it, if they could not otherwise have obtained it; for the falling the interest of money to 3 per cent. per annum, to which rates the Bank will reduce it, will unavoidably advance the price of land to above thirty years' purchase, which will raise the value of the lands of England at least 100 millions, and thereby abundantly reimburse the nation all the charges of the war, and will not only enable the gentry to make better provision for their younger children, but those who now owe money on their lands, to pay off their debts by the increase of the value of their estates.

The ease and security of the great receipts and payments of money which are made by the Bank, (where people's cash is kept as it is at the goldsmiths,) together with the safe depositing of it, are such advantages to recommend it, that they ought not to be past over without some observation; especially considering how much money has been lost in England by the goldsmiths and scriveners breaking, which, in about thirty years past, cannot amount to so little as betwixt two and three millions, all which might have been prevented, had a Bank been sooner established; for none can lose by

the Bank, they having a fund of £100,000 per annum, and money or good securities besides, for as much they owe, wherewith to pay all that trust them.

These are such services to the nation, in general, which have been (and will be) done by the Bank as could not have been done without it; and such arguments as these, arising from fact, are better demonstrations and more convincing of the usefulness of it than mere speculative notions, urged by its opposers, can be to prejudice others against it; and therefore, it would be an accountable sort of policy, to endeavour to deprive the nation of those vast advantages which it now does and will receive by it.

Having given this short account of the Bank, I shall consider the objections that have been made against it, and who they are that make them; in which I shall chiefly take notice of those who would cloak the opposition they make out of private interest, under some other specious pretences; among which they are some who would be thought the most zealous for the government, who at first pretended to dislike the Bank, only for fear it should disappoint their majesties of the supplies which were proposed to be raised by it. But since the whole £1,200,000 has been so readily subscribed, their opposition has increased, and their being now so zealous against it, can only proceed from their fear that they shall not have the like opportunities as they have had to impose on the public, by whose necessities they have made so great advantages; and they now threaten what they will do to destroy the Bank this session of parliament, as if what past in the last were to be undone in this.

There are others who are for forcing a currency of bills or tallies, and think they may pass as well as bank bills; but they do not consider that its nothing makes bank bills current, but only because that all those who desire it, can go when they will, and fetch their money for them; and to force anything to pass in payment but money, would soon end in confusion: for it cannot serve the nations' occasions at home, much less our foreign negotiations with other countries abroad; seeing that all those who take bills of exchange on England, are too wise to except any such sort of payment; but will

be sure to have them made payable in sterling money, in specie, in like manner as the bills, which are now drawn on Spain, are made payable in old money, as before the Pragmatica: which, together with the late essay of copper money in Ireland, might be sufficient to shew that all such attempts will be ineffectual.

And, besides, the confusion it would make, the danger of their being counterfeited, is an objection that cannot well be answered; and all that it would cost to exchange them for money would be certainly paid by the government; for it would be considered, by those who sell their goods, in the prices of them; and though but a small sum were paid for the loss of exchanging them for money, by every one through whose hands they should pass, yet there might be more than the whole value lost thereby, in less than one years' time. And the very proposing such an innovation is of dangerous consequence, and tends to destroy the public credit. For if it should be attempted to make anything current in payment but specie money, no body would trust the government on any loans for the future; and it would put a stop to the discounting tallies or bills of exchange, lending money on pawns or mortgages, or, indeed, to the giving any credit, but upon the undoubted assurance of receiving the payment in specie; for on all other sorts of payment there will be a loss to exchange them for money; and it would discourage our friends, and encourage our enemies, by proclaiming to the world that we are not able to continue the war, and this would put an end to it; for we should be forced to submit to such terms as the French King would think fit to grant us.

It's very observable that all the several companies of oppressors are strangely alarm'd, and exclaim at the Bank, and seem to have joined themselves in a confederacy against it, out of pure zeal (as they pretend) for the good of the publick: whereas 'tis nothing but their private interest, that has so nettled them, to see their crafts and trade of oppression endangered; for extortion, usury, and oppression were never so attacqued as they are like to be by the Bank; and 'tis that which has engaged them to use all the arts and tricks they could invent, to blemish it; and amongst the rest, to make those

that owe money uneasy at it, great sums have been called in, specially if any have happened to be due from those whose public stations might make their anger the more significant; pretending that the Bank has made such a scarcity of money, that none is left to be lent on land or other securities; though if it really did what they pretend, they would be far from being angry at it. Scarcity of money naturally producing a high interest, and a difficulty for those that want to be supplied with it; which are the best arguments that can be used, to extort double the price for procurement and continuation, crimes that would easily be forgiven by those men. But the Bank, on the contrary, makes a plenty of money, and renders it easie, for those that want to be supplied with it, at a moderate interest, as well on public as private securities, without paying anything either to procure or continue it.

There are others who pretend to be against the Bank lest it should hereafter joyn with the prince to make him absolute, and so render parliaments useless. But tho' that may at first seem frightful, yet, when it's considered, there will not appear any cause for such fear as is pretended; and it's morally impossible to be attempted, the concerned in the Bank being restrained by act of parliament, from advancing any money to the crown but upon such funds only on which there is a credit of loan by parliament, under the penalty of each person's forfeiting treble the value of all the money lent; the one-fifth to the informer, and the other four-fifth cannot be pardoned by the King, but are to be disposed of by parliament. Nor can it be the interest of the Bank to make any King absolute, seeing they have no security for their fund, nor for the money that is lodged in the Bank, but the protection of the laws. For if they should contribute to make any King absolute, they can have no assurance that he would not (nay, they may be confident that he would) seize on their fund and their money by violence, lest that they who contributed to make him absolute, should afterwards endeavour to reduce him to a conformity with the laws of the land. And, certainly, there is more danger of such a design from twelve or fourteen goldsmiths, who were used to have most of the running

cash of the kingdom; or from other corporations, who depend wholly on prerogatives, and are under no manner of restraint. Nor could such a design ever be attempted by the Bank; for the whole court of directors, which consists of twenty-six persons, must be made privy to it; and some of them, to be sure, would be against it; and it could not be kept secret, but would soon be divulged. And any nine members of the Corporation may call a general court, who would infallibly turn out those that should encline to favour such a design; for 'tis not to be supposed, that such a body of men should agree to ruin themselves and their posterity, by losing their estates and their liberties, when 'tis in their power to preserve them. And seeing the triennial bill is past, a new parliament must be chosen, and sit once in three years; and during the war, there is no danger but they will meet oftener.

There are others who are against the Bank, pretending the fund from which its revenue arises is prejudicial to the nation; but if that were an objection, it might as well be urged against the annuity for lives, payable out of the same fund, and settled by the same act of parliament. But as this is not made an objection against the one, no more ought it to be against the other; for the Bank would be the same out of whatsoever fund the £100,000 per annum were payable; and if it were ill for the kingdom, the goodness of the fund would not make it the better, nor if the fund were a bad one, would that make the Bank the worse.

There are others who are against the Bank, because they pretend the concerned have too good a bargain; though if it were really so, the nation pays but £100,000 per annum for £1,200,000, which is no more than their agreement; and 'tis much less than must have been paid for that money, if it had been to be raised in any other manner; but if there were any weight in this objection, it might be proper to be considered eleven years hence, when their term expires, in case they should endeavour a longer continuance. It never was thought to be an objection against those who have the fee-farm rents, that they have had too good a peniworth, though they now sell at twenty-one, twenty-two, and twenty-three years' purchase.

And though great part of them were paid for by debenturs, and old debts due from the crown, which were bought for little or nothing; nor is it objected that it was a thin house when that bill past, though upon the division there were but forty-two members present.

Some find fault with the Bank because they have not taken in the whole £1,200,000 which was subscribed, for they have called in but £72,000, which is more than they have now occasion for. But, however, they have paid into the Exchequer the whole £1,200,000 before the time appointed by the act of parliament; and the less money they have taken in to do it with, so much the more they have served the public; for the rest is left to circulate in trade, to be lent on land, or otherwise to be disposed of for the nation's service. And it's better for the Bank, as well as the publick, to have £480,000 in the subscribers' hands, ready to be called for as they want it, than to have had it lie useless by them. And it's very observable, that few of those, who make this objection, either do or would trust the Bank, though the whole £1,200,000 were actually paid in by the subscribers, as they would pretend to have it. And though they are so careful lest the Bank should not have credit; yet, at the same time, they pretend to fear its credit will so far prevail, that it will engross all the money in the nation; so that it seems as if they who would have £480,000 called in, wanted a pretence to find fault with the Bank for having made money scarce, by calling in the remainder of the whole subscriptions, when they did not want it; unless they would shew by some new discovered rules in arithmetic, that the calling in £480,000 more would make the Bank have the less money lodged in it.

'Tis pretended by others that the Bank is prejudicial to trade because there are some under such unhappy circumstances, that the Bank cannot relieve them in their broken fortunes, and who have been sinking before the Bank was thought of. Indeed they who have not credit to borrow money at interest, nor to draw by exchange, and who have neither tallies, bills of exchange, nor good bills for debt to discount, goods to pawn, or land or houses to

mortgage, must be allowed to be in no very good condition, and must continue to pay as exorbitant allowances for money, to supply their necessities, as they used to do before the Bank was established. What has been observed of discounting foreign bills of exchange at 3 per cent. per annum, inland bills, and notes for debts at  $4\frac{1}{2}$  per cent. per annum, lending money on pawns at 5 per cent. per annum, exchanging tallies, and lowering interest of money, it's supposed, is sufficient to answer this objection.

'Tis alleged by some that the Bank will ingross all manner of trades. But this is an objection like many others which are made against it by those who do not understand its constitution; for, if any person trades on account of the Bank in any other thing than taking pawns, or in bills of exchange, or bullion, or consents that any other should trade; every such person so trading, or consenting to such trade, incurs, by the act of parliament, a forfeiture of treble the value of all that is traded for.

The goldsmiths have been guilty of engrossing most commodities themselves, and they have also been great merchants and traders. And since the nation has suffered so much by their monopolizing goods and trading with other men's stocks, it may seem highly reasonable, that, as the Bank is restrained from trade, for fear of those mischiefs which the goldsmiths' have practised, so the goldsmiths, in like manner, should be limited to the selling plate and jewels, which was their antient and proper trade. And if there be an advantage to be made by the running cash of the kingdom, it's fitter for the Bank to have it; which consists of thirteen hundred persons, and who employ it to serve the nation in general, by lowering the interest of money; than that it should be given to a few private men, who have already made use of it, so much to the nation's prejudice.

And, whereas they pretend that the Bank has bought up all the silver, upon enquiry it appears, that there hath not been £12,000 worth bought by the Bank, and the greatest part of that was pieces of eight, and the rest bars and piny silver, which came from Spain; though some particular refiners and goldsmiths have since that

shipp'd off more than double that value in bars of English melting, and have likewise sold much greater parcels to others, which have been exported. And it may be a matter well worth enquiry, where those mines are which have produced that silver?

And though it be made such a crime for the Bank to be concerned in the publick remittances, it is no more than was done by a goldsmith before the Bank undertook it; nor is it looked on as a fault in the goldsmiths to deal by exchange, seeing some of them do now draw or remit money almost every post.

As to the pretence of the Bank setting a price upon guineas, and having engrossed the greatest part of all that are in the nation; 'tis answered, the Bank has always received and paid guineas, at twopence or threepence a piece, at least, under the price which the goldsmiths have put upon them; and has been so far from buying up any, that they have only received such as have been brought them in payment; and have constantly paid them away every week at the same price as they have received them; so that if they make any benefit by the advance of the price of guineas, 'tis chiefly on those which were received at the taking the subscriptions; which cannot come to any such quantity as is pretended; and 'tis a matter wholly owing to some or all of these causes.

To the goldsmiths and refiners, who have raised the price of them: or, to the trade which is driven by the clippers, who sell their clippings for guineas, and with them to procure heavy money; or to the badness of our silver coin, which is diminished every day.

There are others, who make a mighty complaint against the Bank because twopence per day is allowed on bank bills; and the money which was used to be lodged in their hands for nothing, and made use of by themselves, is now paid into the Bank by the owners; but they, it's supposed, will not find fault with receiving twopence per day for that money, for which before they had nothing; and so one may be set against t'other.

'Tis pretended, the allowing twopence per day, hinders some from purchasing or lending money on mortgages, and makes others, who are traders, and owe money, bad paymasters.

But it may well be supposed, there are none who intend to purchase or lend money on mortgages, who will leave their money in the Bank at 3 per cent. per annum. when they can have a purchase to their minds, or a good security at 5 per cent. per annum; and there are few who would not leave their money lying dead, rather than lay it out on the purchase of an estate they do not like, or lend it on a bad security.

And as for its making bad paymasters; they must consider their credit or interest but little, who will delay paying their debts for the getting the twopence per day per £100, which is allowed on bank bills; for in their future dealings they would pay a much dearer interest. The money which is lodged in the Bank, is only the money which can be spar'd, and was wont to be left with the goldsmiths; and it's strange that 3 per cent. per annum, which is allowed on bank bills, should do all this mischief, and that the great advantages which have been made by the public funds should never be made an objection.

But the plain truth of the matter is, that the goldsmiths are angry at the Bank's allowing twopence a day per cent., because that by this means the money is drawn out of their hands the faster, and paid into the Bank for bank bills.

And if the allowing twopence per day on bank bills be lookt on to, be such a crime, it's very probable the concerned in the Bank will be willing in time to remove the objection, seeing it will ease them of the charge of £36,000 per annum, which the interest amounts to and which they have given the nation out of their fund for that money for which the owners used to have nothing.

Notwithstanding all these objections, which are made against the Bank, and that the allowing twopence a day per £100 on bank bills, is pretended to be so prejudicial, yet there are some now, who in opposition to it, talk of nothing less than settling a new one, with fourpence a day per cent. interest, which is double as much as is now paid by the Bank; nay, others are for setting up a bank in every city, or in every market town; which shews, after all, the cavils against the Bank, that a bank is good for the nation in general, and that the

greatest objection against the Bank of England, is, that they who find fault with it, are not concerned in it; for many of those who clamour against it, do it only in hopes of coming in the cheaper.

But the honour and justice of the whole nation, (on whose credit and authority the subscribers are establisht to be the Bank of England for eleven years,) is too much concerned, to admit a supposal that any such designs should receive countenance or encouragement. For what past in the last session of parliament, and their refusing to admit any other lives to be added to the annuities, lest it should be thought to lessen the security on which the money was contributed; (though they were not intended to take place 'till after the lives in being were extinct) shews the great care of the honourable House of Commons, to preserve the public credit, and to avoid any the least occasion which might make it suspected; and gives the whole nation a sufficient assurance, that they who are the preservers of the people's rights and properties, will never suffer anything to be attempted in that august assembly, that may seem but to weaken the security, or lessen the encouragements which they have given the subscribers to the Bank, and which they themselves have establisht by so solemn and inviolable a sanction; and all insinuations to the contrary (though under never such specious pretences) are of dangerous consequence to the government, tending to raise doubts and scruples in the minds of the people, and to lessen the public credit; for if the parliamentary securities, on which all men, both natives and foreigners, firmly relying, have hitherto so freely contributed their fortunes for carrying on the war, were now made precarious and uncertain, no body could trust them for the future; and during the war, the government cannot possibly subsist without credit.

And besides, the seeming injustice which it would be to those who have subscribed, and contributed their money upon the encouragement given by the act, of their being the Bank of England for eleven years, to have another establisht before those eleven years are expired, for which this Bank is settled; it would be so far from being like the having of several shops to go to, to be better used, (as is by some pretended) that it would be a means to hinder either from being

serviceable in the supplying the public or private men's occasions. And the nation must pay the dearer for money, for one being in opposition to the other; there would be a sort of civil war between them; and the Bank being a Bank of credit, neither of them, by their jealousy of each other, would venture to extend its credit; but would bury the money of the nation instead of increasing and quickening its circulation, as the Bank of England does and will do.

To conclude, the instances which have been given in the foregoing account, of the usefulness of the Bank, may, it's supposed, suffice to convince such as were prejudiced against it; upon the misrepresentations which have been so industriously made by those who appeared the most barefaced and violent in opposing it. But it may perhaps be objected, that the Bank is so far from being an advantage to all trades that 'tis prejudicial to some; for it seems to be admitted that the Bank will be injurious to a dozen or fourteen goldsmiths, and to some scriveners, usurers, and pawnbrokers; because it will hinder them from exacting such oppressive extortion as some of them have done formerly; and it will quite ruin the trade of tally jobbers.

Now, if the clamour of a few, (whose trade has been to make merchandise of the nation and to enrich themselves by the necessities of others,) shall not only prevail against the benefit of a community, legally establisht, but even of the kingdom in general, and the credit of a parliament, then the enemies of the Bank may hope to subvert it. But, until the public good be postponed to private interest, and a small number of oppressors be too hard for the nobility, gentry, and traders of England in general; it will and must be preserved and maintained, because of its great use to the whole realm; and the benefits which already accrue by it in its infancy are a good earnest of those greater advantages which the nation must receive from its future progress.